

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2000-366-A - ORDER NO. 2003-439

JULY 8, 2003

IN RE:	Application of Chem-Nuclear Systems, LLC)	ORDER APPROVING
	for Adjustment in the Levels of Allowable)	FINAL IMPLEMENTATION
	Costs and for Identification of Allowable)	OF COST POINT
	Costs.)	ACCOUNTING SYSTEM

10

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Review and Recommendation of the Commission Staff (the Staff) with regard to the Cost Point Accounting System (the Cost Point system) proposed for use by Chem-Nuclear Systems, LLC (Chem-Nuclear or the Company). Commission Order No. 2003-188, dated April 14, 2003, held that the final implementation of the Cost Point Accounting System software would be held in abeyance until such time as the Commission Staff could adequately track and substantiate that the system has been validated. The Order stated that this substantiation could be done at the next hearing, or it could be done at some prior time to June 30, 2003, by means of a motion by any party for a finding that the system has been validated. If the motion was granted, Chem-Nuclear could use the system for its next filing. Order No. 2003-188 at 12. We are taking the Staff's Review and Recommendation, proffered in a memo dated June 25, 2003, as being equivalent to a Staff motion for a finding that the system has been validated. The motion is granted.

The memo, written by William Blume, the Staff Audit Department Manager, stated that the Audit Department did a complete review of the accounting records of Chem-Nuclear to determine the adequacy of the Cost Point Accounting System. Blume concluded that the Cost Point system appears to be more than adequate to accumulate and report the operations of the Company. Blume stated further that the Cost Point system appeared to be more suited for the purpose of collection and reporting operations than the prior J.D. Edwards system. In addition, Staff found that the records necessary to perform an audit of the books and records of Chem-Nuclear are available and there should be no problem due to this change in accounting systems.

Blume finally stated that the Audit Department believed that this Commission can issue an Order to Chem-Nuclear advising the Company that it can fully implement the new accounting system and that the upcoming filing for the twelve months period ending June 30, 2003 can adopt the use of the Cost Point system for the purposes of reporting operations of the Company.

We have examined the Review and Recommendation of the Commission Staff and we agree with its provisions. Again, we grant the implied Motion for Validation contained therein. It appears that the Cost Point Accounting System is more than adequate to accumulate and report the operations of the Company. Further, the records necessary to perform an audit of the books and records of Chem-Nuclear are available. Accordingly, we hold that Chem-Nuclear can fully implement the Cost Point Accounting System and that the upcoming filing for the twelve months period ending June 30, 2003


JULY 8, 2003

PAGE 3

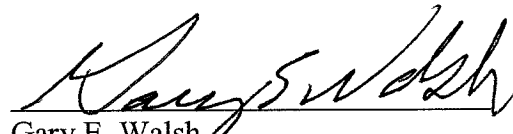
can adopt the use of the Cost Point system for the purposes of reporting operations of the Company.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Mignon L. Clyburn
Chairman

ATTEST:


Gary E. Walsh
Executive Director

(SEAL)